

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF HAWAI‘I

SPORTS SHINKO CO., LTD.,	)	CV 04-00124 BMK
	)	CV 04-00127 BMK
Plaintiff,	)	
	)	CONSOLIDATED CASES
vs.	)	
	)	<b>DECLARATION OF</b>
QK HOTEL, LLC, et al.,	)	<b>GLENN T. MELCHINGER;</b>
	)	<b>EXHIBITS “1” - “15”</b>
Defendants,	)	
	)	
and	)	
	)	
FRANKLIN K. MUKAI, et al.,	)	
	)	
Third-Party Plaintiffs,	)	
	)	
vs.	)	
	)	
SPORTS SHINKO (USA) CO.,	)	
LTD., et al.,	)	
	)	
Third-Party	)	
Defendants,	)	
	)	
and	)	
	)	
SPORTS SHINKO (HAWAII) CO.,	)	
LTD., et al.,	)	
	)	
Third-Party Defendants/	)	
Counterclaimants,	)	
	)	

vs. )  
)  
QK HOTEL, LLC, et al., )  
)  
Third-Party Counterclaim )  
Defendants. )  
)  
AND CONSOLIDATED CASES )  
\_\_\_\_\_ )

**DECLARATION OF GLENN T. MELCHINGER**

Pursuant to 28 U.S.C. § 1746, I declare that:

1. I am an attorney with the law firm of Alston Hunt Floyd & Ing, counsel for Plaintiff and Third-Party Defendants Sports Shinko Co., Ltd., Sports Shinko (USA) Co., Ltd., Sports Shinko (Hawaii) Co., Ltd., Sports Shinko (Mililani) Co., Sports Shinko (Kauai) Co., Ltd., Sports Shinko (Pukalani) Co., Ltd., Sports Shinko Resort Hotel Corporation, Sports Shinko (Waikiki) Corporation, and Ocean Resort Hotel Corporation (collectively, the "SS Entities").

2. I make this declaration based on my personal knowledge and am competent to testify as to the matters set forth herein.

3. In 2003, I handled with Paul Alston the Case Ancillary to Foreign Proceeding Under 11 U.S.C. § 304, An. No. 02-04131, filed in the U.S. Bankruptcy Court for the District of Hawai'i on behalf of Sports Shinko Co., Ltd., *aka* Sports Shinko Kabushiki Kaisha ("SSJ") in November 2002. Pursuant to (a) a Rule 2004 subpoena in that ancillary case and (b) motions to compel production, SSJ obtained the *original* client files related to SSJ and its direct and indirect subsidiaries from the McCorriston Miller Mukai MacKinnon law firm. These documents are referred to herein as the "M4 Production." The McCorriston firm did not number stamp the production, but these original documents are the business records of the McCorriston law firm and part of their production pursuant to subpoena and court orders, despite the fact that they may bear SS's Bates stamp numbers.

4. Exhibit "1" is comprised of true and correct copies of Annual Reports filed in the Department of Commerce and Consumer Affairs for various Sports Shinko entities for the years 2000, 2001, and 2002, and a Declaration of Toshio Kinoshita filed

on September 22, 2006 by the KG Defendants in a related case in the Circuit Court for the Second Circuit, Civil. No. 06-1-0233(3).

5. Exhibit “2” (Purchase and Sale Agreement) is a true and correct copy of excerpts from the oral deposition of Satoshi Kinoshita started on April 19, 2005 in a related case in the Circuit Court for the First Circuit, State of Hawaii (*Sports Shinko (USA) Co., Ltd. et al. vs. Resort Management Services (Hawaii), Inc.*; Civil No. 02-1-2766-11 (EEH) (the “**RMS Litigation**”) (hereinafter the “Satoshi Depo”) and Exhibit 29 to said deposition.

6. Exhibit “3” (Satoshi email) is a true and correct copy of excerpts from the Satoshi Depo and Exhibit 30 to said deposition.

7. Exhibit “4” is true and correct copy of a declaration of Tsugio Fukuda (without exhibit) previously filed in this Court in February 2006 in opposition to the KG Defendants’ January 13, 2006 Motion for Summary Judgment.

8. Exhibit “5” (CMF listing agreements) is a true and correct copy of excerpts from the Satoshi Depo and Exhibit 24 to said deposition.

9. Exhibit “6” (Resnick DROA) is a true and correct copy of excerpts from the Satoshi Depo and Exhibit 55 to said deposition.

10. Exhibit “7” (KG/SS purchase price allocation table) is a true and correct copy of a document from the M4 Production.

11. Exhibit “8” (RMS annual reports) is a true and correct copy of selected portions of the Annual Report for the Years Ended December 31, 2000 and December 31, 2001 for Resort Management Services (Hawaii), Inc., which I caused to be obtained from the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division.

12. Exhibit “9” (Option Agreement) is a true and correct copy of excerpts from the Satoshi Depo and Exhibit 28 to said deposition.

13. Exhibit “10” (Management Agreement Excerpts) is a true and correct copy of excerpts from the Satoshi Depo and Exhibit 5 to said deposition.

14. Exhibit “11” (Maui Deed) is a true and correct copy of excerpts from the Satoshi Depo and Exhibit 37 to said deposition.

15. Exhibit “12” (Resnick DROA) is a true and correct copy of a Exhibit “K-C” to the Declaration of David Klausner previously submitted to this Court in February 2006.

16. Exhibit “13” (Satoshi Depo Excerpts) is a true and correct copy of excerpts from the Satoshi Depo.

17. Exhibit “14” (Satoshi Report) is a true and correct copy of excerpts from the Satoshi Depo and Exhibit 1 to said deposition.

18. Exhibit “15” (Satoshi email re “finder fee”) is a true and correct copy of a document recently produced to Sports Shinko as part of a recent electronic document production by Satoshi Kinoshita.

19. I assisted the Deputy Trustee for SSJ in the sale of the Kiahuna Golf Club and Kauai properties that were in dispute in a case filed in this Court on January 29, 2002

(Civil No. 02-cv-00062 SPK/BMK). Those Kauai properties were sold to a nominee of David Resnick for \$9.85 million.

20. I handled the above described RMS Litigation and recovered the Maui property reflected in Exhibit "14" in December 2004 in settlement of claims brought by SS companies. I handled the re-sale of the Maui property, which was sold for over \$550,000 in 2005.

*I declare under penalty of perjury that the foregoing is true and correct.*

Executed in Honolulu, Hawai'i on December 19, 2007.

/S/ Glenn Melchinger  
GLENN T. MELCHINGER